IN THE COURT OF VI ASSISTANT CITY CIVIL COURT/REFERENCE COURT UNDER LAND ACQUISITION AT CHENNAI
Present: Tmt.A.Saridha., M.L.,
Civil Judge (Senior Division),
Monday, the 21st day of April, 2025
L.A.O.P. No. 55 of 2012
CNR.NO.TNCH01-013073-2012

Associated publishers (Madras) Private Limited,
Registered Office 'Mail Building'
856, Anna Salai, Chennai-600 002. … Claimant

..Vs..

1. Land Acquisition Officer,
Special Tahsildar (LA) Unit-1,
Chennai Metro Rail Limited,
Gopalapuram, Chennai-600 086. ...1st respondent/referring officer

2. Chennai Metro Rail Limited,
Harini Towers, No.7, Conran Smith Road,
Gopalapuram, Chennai-600 086. ...2nd Respondent/requesting body
(amended as per order in IA No.)

This petition coming on 13.02.2025 for final hearing before this Court in the presence of M/s.S.Ramasubramaniam and Associates, counsel for the Claimant and Mr. S.Shajahan, City Government Pleader, counsel for 1st respondent and M/s.C.Shankar, counsel for the 2nd respondent and upon hearing the arguments on claimant side and written arguments filed by referring officer side, upon perusing the documents on record, and having stood over for consideration till this day, this Court delivered the following:

ORDER

This is a reference made by the Land Acquisition Officer under Sec. 18 of the Land Acquisition

Act 1894.

Material facts stated in the reference is as follows:-

2. The reference has been made to this Court under Section 18 of the Land Acquisition Act, 1894. The Land Acquisition Officer has fixed a market value of the acquired land at Rs.8692/- per sq.ft., by awarding solatium and additional market value and total sale compensation of Rs.18,11,74,561 was awarded as compensation for the acquired land as mentioned hereunder.

T.S.No and Block No.	Classification	Extent in (Sq.mtr)	Particulars of Trees and Structures Value etc.	Particulars of compensation awarded Rs.		Date of taking Possession
T.S.No. 3194/2 Block No.63	Quit rent	15135 sq.ft	Ground floor, First floor, Second floor	Land Value	Rs.13,15,53,420.00	26.12.2013
				Structure Value	Rs.40,11,519.00	
				Tree value	100.0	
				Total	Rs.1,35,56,539.00	
				30% Solatium	Rs.4,06,69,512.00	
				12% Addl Market value (10.11.2011 to 31.12.2011 - 52 days)	Rs.23,17,605.00	
				from 01.01.2012 to 28.02.2012 - 59 days	Rs.26,22,405.00	
				Total compensation amount	Rs.18,11,74,561.00	

3. The claimant was not satisfied the award fixed by the referring officer hence, he requested to refer the dispute before the civil court for enhancement. Hence, this reference.

The material facts stated in the claim statement filed by the claimant as follows:

4. The petitioners are the absolute owners of the lands having acquired the same vide deed of sale dated 12.04.1949, registered as document no.829/1949 in the office of the District Registrar, Chennai. The said property was acquired by the Government of Tamil Nadu after the issue of notification dated 27.10.2011 under section 4(1) of the LA 1894. Further a declaration under section 6 was made on 28.11.2011 and enquiry under section 5A of the said Act was dispensed with. A notice of award dated 28.02.2012 under section 12(2) of the Land Acquisition Act 1894 was issued to them. The petitioner vide their ref. Mail/Sr/2012/240 dated 05.03.2012 agreed to receive the compensation determined by the respondent without prejudice to their rights and sought a reference under section 18 of the Act.

5. The possession of the lands were handed over to the second respondent on 09.03.2012. The second respondent vide letter dated 10.04.2012 bearing Rc.No.61/Land/CMRL/2011 dated 10.04.2012 advised that approximately 1658.50 sq.ft or more or less was proposed to be reduced from the acquisition and sought the petitioner's consent for the same and the petitioner received the compensation for that remaining area. This petitioner had also given their consent vide letter dated 10.04.2012 in this regard.

6. The Award no.7 (Rc.8/LA/CMRL/2011) dated 28.02.2012, in form no.9 under section 12(2) of the land acquisition act 1894 was received by the petitioner on 01.03.2012 at 4.30 p.m. The award amount was paid on 18.04.2012. A written statement was submitted before the first respondent. As per the award no.7, a cheque was handed over for Rs.16,30,57,105/- vide cheque no.520651 by the Pay and Accounts Officer (North), Reserve Bank of India on 18.04.2012, the said amount being net amount after deducting tax at the source of Rs.1,81,17,456/-.

7. Based on the statement of workings furnished by the first respondent while furnishing the written statement a cheque bearing no.228093 dated 18.04.2012 for Rs.1,99,86,205/- favouring the first respondent drawn on Central Bank of India, Addison Building branch by the petitioner was handed over in person. The written statement by the said proceeding, the net area of 13,476.50 sq.ft of land together with buildings alone was acquired by the second respondent. The gross compensation vide award no.7 Rs.18,11,74,561/- stands reduced by Rs.1,99,86,205/- being the value for reduction in area and thus the total compensation before deduction of tax at source is Rs.16,11,88,356/- for an extent of 13,476.50 sq.ft of land and buildings thereon.

8. The petitioner having received the award amount after making requisite adjustments in respect of reduction in area, they had also mentioned the same in the written statement. It was also stated that the award amount was received subject to the petitioner's entitlement for enhanced compensation pursuant to the provisions of section 18 of the Land Acquisition Act

1894 through the collector of Chennai. The award amount was received under protest and without prejudice to fair claim for compensation with higher rate at the true prevailing market value of the property.

9. The compensation awarded to the petitioner is drastically lower than the market value prevalent in the locality of Anna Salai. In the letter dated 05.03.2012 the compensation for the land has to be assessed on the basis of the market value currently prevailing in the area. Letter dated 05.03.2012 that the petitioner should be awarded compensation at the rate of Rs.30,000/- per sq.ft based on the revised guideline value promulgated by the state government and also taking into consideration the provisions for enhanced compensation for special purposes acquisition under section 4(1) of the Act, for which guidelines were issued and considered by the Government, as published in the daily, Hindu dated 15.02.2012. The first respondent erred by not taking into consideration the revised guideline value issued by the Tamilnadu Government for sale transactions in and aroudn the said property.

10. The amount of Rs.8692/- per sq.ft mentioned in the written statement dated 14.02.2012 made in the presence of the first respondent is only the guildline value prescribed on 01.08.2007. This rate being adopted and offered as compensation is meagre in comparison to the revised guideline value of Rs.19,000/- per sq.ft fixed for lands in Anna Salai. No owner of the property will agree for guideline value of Rs.8692/- per sq.ft which was published on

01.08.2007 for a proposed acquisition to be made after a lapse of 4 years and 6 months ie.on 28.02.2012 instead of then prevailing market value on the date of acquisition. The draft of revised property guideline value on 14.10.2011 were published in the Registration Department's website and sought for public comments, which envisages an increase between two-four fold and five six fold from 01.08.2007 for a proposed acquisition to be made after a lapse of 4 years and 6 months ie. on 28.02.2012 instead of then prevailing market value on the date of acquisition.

11. The draft of revised property guideline value on 14.10.2011 were published in the Registration department's website and sought for public comments, which envisages an increase between two-four fold and five six fold from 01.08.2007 value. For this property it was exhibited as Rs.19,000/- per sq.ft on 14.10.2011 itself evidently on account of transactions took place in and around this area and the adoption of Rs.8692/- per sq.ft guideline value is totally incorrect. The said property has great potential value as it is situated in a strategic location surrounded by Commercial Hub, Hindu, India Silk House, Kadhi Gramodyog Bhavan and the proposed CMRL station, opposite to Multispeciality hospital.

12. The escalation of value is adopted beyond the guideline value should be Rs.30,000/- per sq.ft. The articles published in the Times of India dated 23.04.2012 also indicates that the market value increased more than the guideline value between 10% and 45% depending upon the

locality. The value of the building has been valued at Rs.40,11,519/- and it gets reduced as reduction in area by Rs.5,39,125/-. Total built up area demolished which are not available that the said building being a pucca structure the amount offered is extremely low.

13. The first respondent has not considered the electrical wiring and fittings, provided in the building as per the market value. The value of the built up area demolished even if it is reckoned at approximately Rs.30,0000/- per sq.ft the compensation fixed after making adjustment for reduction in area works out to only Rs.35,00,000/- and consequently Rs.117/- per sq.ft only. The same may be reviewed and a higher value is to be given to the petitioner. The said property which is acquired and demolished by the second respondent is located in Anna Salai which is a prime commercial area, and is a premier location within the city of Chennai and is a most sought of commercial properties and is also surrounded by many well established iconic and historical buildings.

14. The property has a large frontage in the widest part of the said road, which aspect has been overlooked by the first respondent while fixing the compensation. The first respondent failed to consider the sale of other properties and buildings in this area in the recent past, which reflects the prevailing market values. The first respondent has arbitrarily fixed the market value of the property at an extremely low rate. Since the property in question is being acquired by the Government for a special purpose, as per section 4(1) of the LA 1894, the government should con-

sider a value higher than the revised guideline value. The petitioner to file their additional claim statement and additional documents to substantiate their claim at a later stage. Hence this petition.

Brief of the counter filed by the Referring Authority as follows:

15. The first and second respondent filed their counter separately. The second respondent filed additional counter. Their objection is in the same line and there is no rival claim between first and second respondent. Hence the objections of the both respondents sum up and narrated herein.

16. Both respondent has denied the case of the petitioner and contended that the second respondent is the requesting body has envisages the project of Chennai Metro Rail Project from Washermenpet and ends at airport for length of 23.1 kms under phase 1, corridor 1 and corridors 2 start from Chennai Central and ends at St.Thomas Mount for length of 22 kilometers, the portion of corridors one with a length of 14.3 kms from Washermenpet to Saidapet and corridor 2 with a length of 9.7 kms from Chennai central to Anna Nagar will be underground corridors and the reminder elevated. It is time bound project hence they have invoked the urgency provision and the government issued notification under section 4 of the land acquisition Act read with section 17(1) of the Land Acquisition Act and dispensing the enquiry under section 5(a) on the urgency provision of the Land Acquisition Act for the acquisition of 9G and 730 sq.ft or 22330

sq.ft of land of Triplicane Village, Chennai District.

17. In the course of the said acquisition the claimants land to an extent of 15135 sq ft was acquired by them and they have followed all the procedure contemplated in the Land Acquisition Act and issued notice for enquiry and award was passed on 28.02.2012 in Award no.7/2012.

18. It is further contended that the 1st respondent collected the sale statistic for the period from 1.1.2008 to 09.11.2011 from the Joint Sub Registrar Office, Triplicane. Totally there were 2009 sales fetched, he perused all the sale deed carefully. He discarded all the irrelevant sales and found one most comparable data land corresponding to the sale deed dated 30.04.2011 in document no.505/2011 which was executed before the notification issued under section 4(1) of the Land Acquisition Act. In the above mentioned data sale deed was executed in respect of the land with building in block no.3 T.S.No.97/4 measuring an extent of 1973.5 sq.ft was sold for Rs.8692/- per sq.ft.

19. It is further contended that an extent of 6G and 735 sq.ft or 15135.0 sq.ft of land in block No.63, T.S.NO.3194 part, New T.S.No.3194/2 lying in Anna Salai, Triplicane village, Mylapore-Triplicane Taluk, Chennai district was notified for acquisition under section 4(1) LA Act 1894 on 10.11.2011. The boundaries of the land details of structures

and trees have been described. After sending award enquiry notices duly on the claimants for providing opportunity on the quantum of compensation, the award was passed in award no.7/2012 dated 28.02.2012, granting a total amount of compensation of Rs.18,11,74,561/- and obtaining a cheque for making payment, notice of award was issued to the claimants under section 12(2) of acquisition was reduced to 5G and 1476 ½ sq.ft or 13476 ½ sq.ft and the balance awarded area was withdrawn from acquisition and the compensation of Rs.16,04,68,872/- for the net acquired area was paid to the claimant.

20. It is further contended that they have demanded land value at Rs.25,000/- per sq.ft without any basis and accepted the structure value offered to them. They have not produced any documentary evidence for claiming land value at Rs.25,000/- per sq.ft. The claimant has claimed enhancement of land value to Rs.30,000/- stating that guideline value revised by the government. The date of publication of 4(1) notification is 10.11.2011 and the guideline value of the lands as per records of Anna Salai in Triplicane Village is Rs.8692/- per sq.ft and at Rs.30,000/- per sq.ft as stated by the claimant in this para. The government has not revised the guideline value in February 2012.

21. It is further contended that the government have revised the guideline value with effect from 01.04.2012 and notification issued in this case on 10.11.2011 which is cutoff date for determining the land value. The guideline value was revised after 5 months of

date of publication of 4(1) notification. Further the guideline value is maintained by the Registration department by collecting stamp duty. It will not reflect the true market value. The claimant has not produced any documentary evidence to show that market value was Rs.19,000/- per sq.ft and even now at Rs.30,000/- per sq.ft. The data land is situated near and similar in Anna Salai like that the land under acquisition. Further the sale value transacted as per law through registered deed which reflect the true market value. The land acquiring officer is duty bound to protect the public fund and to fix the market value in accordance with law not an arbitrary basis.

22. It is further contended that the land acquiring officer inspected the acquired land and found that there are superstructure which are more than 80 years old and he estimated the structure value through executive engineer and thereafter send proposal for superstructure value at Rs.40,11,529/-.

23. It is further contended that on the request of the claimant an extent of 1658.5 sq.ft of acquired land was proposed for withdrawal. In order to send withdrawal proposals, the Land Acquisition Officer before sending these proposals inspected the withdrawal area of land and found that there are superstructures. He has again requested the Executive Engineer, Public Works Department of State Government, who is the competent authority to estimate the superstructures in the withdrawal of land. The Executive

engineer has prepared the estimates of super structures with the reference to the schedule of rates prescribed for preparing estimates of structures and send the super structure value at Rs.5,39,125/-. This structural value was deducted while making payment of compensation. Thus correct procedures have been followed in arriving structural value in the net acquired area. Further the structures in the acquired area are more than 80 years old. The superstructures were demolished in his presence and he was permitted to remove all the movable fittings in the building which is most beneficial to the claimant. The claimant was paid the superstructure value fully and correctly and there may be no enhancement for structure value as claimed. Their request may be accordingly rejected. The claimants were permitted to cut and remove fittings in the structure for their own use.

24. It is further contended that the claimant has stated that the guideline value of the acquired land was Rs.8692/- per sq.ft and not at Rs.19,000/- as the claimant. Though the government has called for remarks regarding fixation of guideline value earlier, the government have revised the guideline with effect from 01.04.2012. The date of publication of 4(1) notification is 10.11.2011, which is cutoff date for determining the land value. The guideline value was revised after 5 months of date of publication of 4(1) notification. The claimant has cited the news published in the dailies dated 15.02.2012 regarding fixation of guideline value. The government has revised the guideline value

with effect from 01.04.2012 only. As per records of the Registration department the guideline value of the acquired land is Rs.8850/- per sq.ft as on the date of publication of 4(1) notification ie.10.11.2011 which is cutoff date for determination of market value. However the guideline value is being maintained by the Registration Department for collection of stamp duty and it will not reflect the market value. The claimants have not produced any comparable registered sale document within a period of date of publication of 4(1) notification, for claiming higher compensation. The land value determined by the Land Acquisition officer is well within law and sustainable and there is no violation of section 23 of Land Acquisition Act 1894. The land value as determined based on a registered sale document, hence it may not be said that a lay man may not sell his land for the land value determined. The averment of the claimant is not maintainable in law.

25. It is further contended that the Principal Secretary/Commissioner for Land Administration has also approved the land value and structure value determined. Award enquiry notice was served on the claimant for providing opportunity on the quantum of the compensation and prove extent. The claimants have claimed land value at Rs.25,000/- per sq.ft. They have not produced any document for this claim but they claimed the amount of Rs.25000/- being the prevailing market value. Then the award was passed in award no.7/2012 dated 28.02.2012 and total compensation amount of

Rs.18,11,74,561/- was paid to them. In the award the land acquisition officer has specifically discussed as to why the aforesaid document was selected for comparison for determination of land value and the structure value determined by the public works department. The land value and structure value was fixed in accordance to the provisions of the Land Acquisition.Act. Hence prays to dismiss the reference.

26. POINTS FOR CONSIDERATION :

i) Whether Land Acquisition Officer fairly determined the compensation in terms of Section 23 of the Land Acquisition Act for the property of the claimants?

ii) Whether the claim made by the claimant – Land owners for enhancement of compensation for the acquired land is maintainable. If so what is the enhanced compensation for the acquired land?

iii) What other relief the claimants are entitled for?

WITNESS AND EXHIBITS

27. On the side of the claimants, the Director of the claimant's company was examined as CW-1 and Ex.C-1 to Ex.C-27 marked through them. On the side of the first respondent Parthasarathy (Special Tahsildar) was examined as RW-1 and marked Ex. R-1 to Ex. R-6 and M.Venkatraman was examined as RW-2 and T.Murugan (Deputy Collector) was examined as RW-3 and marked as Ex.R-7 to Ex.R-9.

28. The claimant has marked extract of the minutes of the Board of Director of Associated Publishers (Madras) Private limited to authorize one Ramanucha Achari to contest the case. Ex.C-2 is the Xerox copy of the certificate of incorporation issued under section 248(5) of the Indian Companies Act. Ex.C-3 is the Xerox copy of the Judgment passed by the Hon'ble Madras High Court, Ex.C-4 Xerox copy of the sale deed dated 12.04.1949, Ex.C-5 Xerox and downloaded copy of the guideline value in respect of the Anna Salai property. Ex.C-6 is the Xerox copy of the notification issued under section 4(1) of the Land Acquisition Act, Ex.C-7 is the Xerox copy of the notification and declaration issued under section 6 of the Land Acquisition Act, Ex.C-8 is the Xerox copy of the form 7 under the land acquisition Act issued by the first respondent, Ex.C-9 is the Xerox copy of the representation given by the claimant, Ex.C-10 is the Xerox copy of the letter issued by second respondent, Ex.C-11 is the letter issued by the second respondent to the claimant for seeking consent of redemption in the land taken and to receive the compensation for the remaining area.

29. Ex.C-11 is the xerox copy of the form 9 notice of the award issued by the first respondent, Ex.C-12 is the xerox copy of the cheque issued for Rs.16,30,57,105/-. Ex.C-13 is the cheque issued by the claimant to the respondent for Rs.1,99,86,205/-. Ex.C-14 is the Xerox copy of the TDS adjustment letter and Ex.C15 is the xerox copy of the amended award passed in LAOP No.7/2011 dated 13.03.2013. Ex.C-16 is the letter is-

sued by the claimant to reduce the land for an extent of 1858 sq.ft, Ex.C-17 is the Xerox copy of the guideline value in respect of the SRO, Triplicane relating to the Anna Salai (Mount Road) and Ex.C-18 is the Xerox copy of the Acknowledgment of receipt of the letter of the respondent, Ex.C-19 is the Xerox copy of the statement given by the claimant, Ex.C-20 is the xerox copy of the paper cutting regarding the guideline rate increased 10 to 45%, Ex.C-21 is the Xerox copy of the reference, Ex.C-22 is the xerox copy of the letter sent by the claimant, Ex.C-23 is the xerox copy of the reply of the respondent to the letter which referred in Ex.C-22 and Ex.C-24 is the xerox copy of the covering letter for the application under section 18 of the land acquisiton Act, Ex.C-25 is the paper cutting representation to enhance the compensation, Ex.C-26 is the xerox copy of the insurance copy, Ex.C-27 is the original copy of the letter received from the Sub Registrar, Triplicane, in respect of the guideline value for Anna Salai from 1827 and for 01.04.2012 to till date. Ex.C-1 to Ex.C-26 are the xerox.

30. Among them Ex.C-12 and Ex.C-13 are the xerox copy of the cheque. The original was encashed by the claimant. Therefore original might not be with the claimant. With regard to the remaining document the claimant has not given any reason why he has produced the xerox copy. Even he has not produced the certified copy of the sale deed and also the documents are not legible. The claimant has marked only the part of the paper cutting he did not produce the complete set of the papers. Like that the respondent also

marked the Ex.R-1 to Ex.R-7 are xerox. Ex.R-8 and Ex.R-9 are the true copy Ex.R-7 is the true copy of the map. Therefore this court has not given any weightage to Ex.C-1 to Ex.C-26 and Ex.R-1 to Ex.R-7.

ANSWER TO THE POINT NO .1:

31. The referring officer filed this reference under Section 18 of the Land Acquisition Act. The claimants contended that the referring officer has not fixed fair compensation for the subject matter of the property and thus, requested an enhancement of the compensation amount. On the other hand, the referring officer has disputed the claim of the claimant, stating that they followed all the procedures as contemplated in the Land Acquisition Act, 1894, and determined the compensation in the terms of Section 23 of the Act. Both sides produced verbal and documentary evidence.

32. The claimants claimed compensation to the extent of 25,000/- per sq. ft. The initial burden of proof is on the claimant to show they are entitled to get the compensation of Rs.25,00,000 in the terms of Section 23 of the Land Acquisition Act. The claimant has relied upon the verbal evidence of CW-1 and CW-2 and ExC-1 to ExC-27.

33. In the case on hand, there is not much discussion required to decide that the respondent has not fixed the compensation as per section 23 of the Land Acquisition Act for the simple reason that the land acquiring officer has observed in his award Ex.R-1 that the sale data which he perused from 01.08.2009 to 09.08.2011 was not in consonance with guideline value. Therefore the intention of the land acquiring officer only to choose the sale deed which in consonance with the guideline value not really on the market value

34. This court bears in mind that this court is not an appellate court to correct the award by the land acquiring officer, and the reference court cannot decide the case based on the material perused by the land acquiring officer, and it has to decide the factors afresh with the available records placed before it. At the same time, when the referring officer placed the material that was relied upon by him at the time of the award, it could be appreciated by this court for determining the compensation. The respondents determined the compensation based on the sale deed dated 30.04.2011. This court has already observed that the respondent has not marked the certified copy of the sale deed hence this court has not admitted Ex.R-4 is a valid evidence. However Ex.R-1 award has disclosed that the land acquiring officer has chosen the sale deed dated 30.04.2011 for the reason it was consonance with guideline value. At this juncture the learned counsel for the claimant has argued that the alleged guideline value was prescribed on 01.08.2007

whereas the notification under section 4 of the land acquisition Act was published on 15.02.2012 and thereafter the property was acquired therefore the land acquiring officer has committed an error in fixing the market value based on the guideline value of 2007. The arguments advanced by the learned counsel for the claimant is sustainable since both parties has admitted that the property acquired is situated in Anna Salai which is a prime commercial area and it is a premier location within the city of chennai and surrounded by many well established iconic and historical buildings and the property acquired has a widest frontage therefore the acquiring property has peculiar and special character by its location and potential value. These facts has not been considered by the land acquiring officer.

35. It is pertinent to note that as argued by the learned counsel for the claimant, the property located in Anna Salai is a most needed for commercial therefore no one come forward to sell their property hence it is not possible to produce the sale deed establish the market value of the property acquired and therefore his argument is sustainable. It pertinent to note that the land acquiring officer himself taken guideline value as a one of the factor to decide the market value he has to taken the market value reassessed in 2012 because the government has initiated appropriate steps to re-assess the guideline value before the date of notification hence, fixing the market value based on the 2007 guideline value is not at all sustainable. The argument is acceptable since our Hon’ble Apex

Court and Hon'ble High Court recognized in the following cases that when the sale deed is not proximate to the date of the acquisition and if it is was executed prior to four-five years escalation charges to be applied.

1. G.M., Oil & Natural Gas Corporation Ltd vs Rameshbhai Jivanbhai Patel & Anr (31-7-2008)

`ii) Ashrafi and others Vs State of Haryana and Others 3

Narbadi Devi and others Vs State of Haryana

(i) Ramrao Shankar Tapase Vs.Maharashtra Industrial Development Corporation and others 5.

(ii) State of Haryana and Another vs.Subhash Chander and others 6 (2013)

(iii) The central warehousing corporation VS Thakur Dwara Kalan UL Maruf Baraglan

36. From the perusal of the judgment rendered by our Hon'ble Apex court, it could be seen that as argued by the learned counsel for the claimant the Hon'ble Apex court recognized to apply the escalation charges with cumulative effect to determine the compensation on the basis of an annual increase. In such circumstances as argued by the learned counsel for the claimant the guideline value which was prescribed in the year 2007 was

taken into consideration and to strengthen his award he relied upon the sale deed which valued in accordance with the guideline value not on the real market value.

37. The claimant has also produced guideline value and paper publication as Ex.C-5, Ex. C-19 and Ex.C-20 as discussed above the document was only xerox and not enclosed with certificate under section 65of the Indian Evidence Act. Hence, as argued by the learned counsel for the respondents it has no evidentiary value. At the same time the claimant has marked report called from the Sub Registrar, Triplicane as Ex.C-27. The said communication has disclosed that the guideline value for Anna Salai increased from Rs.8692/- to Rs.19000/- per sq.ft from 01.08.2007 to 01.04.2012.

38. It is pertinent to note that the settled proposition in the earlier period that guideline value cannot be taken to determine the market value and it is categorically held that the land looser in the compulsory acquisition are entitled to get the compensation based on the market value and also held that the guideline value of the Registration Department is only to guide the sub-registrar to find out the market value for the purpose of collecting stamp duty; hence, it may be one of the factors to be considered in addition to the other evidence. However, it is not a substantial piece of evidence to determine the market

value; hence, it is not safe to determine the market value based on the guideline value at all times.

39. Such being the case, the CW-1 has placed the guideline value to strengthen his case. Our Hon'ble High Court held in Director of Survey Vs Moharned Ghouse and other that in addition to instances of sales, the guidelines issued by the government with reference to the market value of the land would also furnish an acceptable and reliable basis for the purpose of ascertaining the market value of the acquired lands. For purposes of payment of stamp duty while registering documents, the government has fixed the market value of the properties, either by grouping them together into blocks or even with reference to individual survey fields. In cases where such a guideline is available immediately prior to the notification under S. 4(1) of the Land Acquisition Act with reference to the particular property acquired or with reference to the block in which the property acquired may be situated, then that guideline has to be taken into account and considered after marking it as evidence in the proceedings. Though the guidelines may have issued by the government in some cases may not be in relation to the particular property acquired but with reference to a nearby property, in such a case also, the court can consider the guideline available as a piece of evidence reflecting the value of the market price near the acquired property at the time the guideline was issued. The government has fixed up guideline values in respect of various categories of lands like dry, wet, house sites, etc.

40. The guideline values are relevant as the market value of the property cannot be different for purposes of stamp duty and for purposes of payment of compensation to the owner who had been deprived of the same. Where such guidelines are available with reference to a particular property acquired, the market value shown therein would be the minimum to which the claimant will be entitled, unless the claimant is in a position to show that for other reasons the market value ought to be higher than that mentioned in the guideline. Where it is possible to obtain a guideline value with reference to the particular property under acquisition immediately before the notification under S. 4(1) of the Land Acquisition Act, that would be the best material available, and the minimum that should be made available to the claimant by way of compensation would be the amount so mentioned in the guideline, but this may not always be so. Where the guideline is not available with reference to the particular property acquired, the court can consider the guidelines with reference to the neighboring properties.

41. Even in such cases, it would be open to the claimants to establish that compensation at a rate higher than that mentioned in the guidelines should be awarded on account of some special features or peculiar advantages that would enhance the value of the acquired property. In so considering the guidelines, the court ought to be careful against the application of the guideline value in respect of wetlands to dry lands and dry lands to house sites or vice versa. The ascertainment of the market value of the acquired property

has primarily to be done with reference to the classification of the property in the revenue records, though that is not an inflexible rule. Weightage has to be given to the potential value, viz., the possibility of the property being put to diverse uses like house sites, etc., the nearness to habitation, and the advantages and other amenities enjoyed by it.

42. Our Hon'ble High Court held in the above case that where the market value is not available with reference to the particular property acquired, the court can consider the guidelines with reference to the neighboring properties. Section 26 of the Right to Fair compensation and transperancy in land acquisition, rehabilitation and resettlement Act 2013 empower to take the market value if any, specified in the Indian Stamp Act, 1899 (2 of 1899) for the registration of sale deeds or agreements to sell and average sale price. In this case, the land acquiring officer noted in the award that the guidelines value of the property covered in Ex.R-4 and he also inclines to follow the guideline value to fix the market value. This court has also no other documentary evidence to ascertain the market value of the acquired property except the guideline value. The land acquiring officer taken the guideline value prescribed in the year 2007. Therefore this court is of the opinion that in view of the above decision of our Hon'ble High Court and the evaluation in the new Act is nothing wrong to rely upon guideline value to fix the market value.

43. However the guideline value of Rs.8692/- was fixed in 2007 section 4(1) notification was issued 28.10.2011 therefore the award of the compensation based on the guideline value of Rs.8692/- which prescribed in 2007 is not just and proper. The government has reassessed the guideline value with effect from 01.04.2012 therefore the arguments advanced by respondent's counsel is that the claimant is not entitled for the guideline value of Rs.19,000/- for the property which acquired in 2011. On considering the arguments advanced by both parties in this court inclines to take the guideline value of Rs.8692/- base value and inclines to add escalation charges. This court has perused the judicial pronouncement in this regard and came to understand that the Hon'ble Apex court settled the proposition without divergent view that comparative sale value method and escalation charge with cumulative enhancement method to be adopted in compulsory acquisitions. At the same time, the Hon'ble Apex Court puts a caution to the reference court that such an annual increase can be taken only for 4-5 years, as beyond that it would be unsafe to uniformly apply the same rate for an increase, and that too with a cumulative effect. The relevant paragraph of the judgment is reproduced herein as follows:

2. G.M., Oil & Natural Gas Corporation Ltd vs Rameshbhai Jivanbhai Patel & Anr (31-7-2008)

> 12. Normally, recourse is taken to the mode of determining the market value by providing appropriate escalation over the proved market value of nearby lands in previous years (as evidenced by sale transactions or acquisition),

where there is no evidence of any contemporaneous sale transactions or acquisitions of comparable lands in the neighbourhood. The said method is reasonably safe where the relied-on-sale transactions/acquisitions precedes the subject acquisition by only a few years, that is upto four to five years. Beyond that it may be unsafe, even if it relates to a neighbouring land. What may be a reliable standard if the gap is only a few years, may become unsafe and unreliable standard where the gap is larger. For example, for determining the market value of a land acquired in 1992, adopting the annual increase method with reference to a sale or acquisition in 1970 or 1980 may have many pitfalls. This is because, over the course of years, the `rate' of annual increase may itself undergo drastic change apart from the likelihood of occurrence of varying periods of stagnation in prices or sudden spurts in prices affecting the very standard of increase.

ii) Ashrafi and others Vs State of Haryana and Others 3

In the case of the Hon'ble Apex court considered the issue of applying annual increase cumulative for determining just compensation and relied upon various judicial pronouncements including the case of ONGC VS Rameshbhai Jivanbhai case and upheld to apply formula of 12% annual increase cumulatively for a period of five years.

(iv) Narbadi Devi and others Vs State of Haryana

(v) Ramrao Shankar Tapase Vs.Maharashtra Industrial Development Corporation and others 5.

In the case of the Hon'ble Apex court reiterated the proposition that applying the formula of 12% annual increase cumulatively for a period of three years.

(vi) State of Haryana and Another vs.Subhash Chander and others 6 (2013)

In this case, the Hon'ble Apex court court held that rate of annual increase could vary from 8% to 15% per year and considering the facts of the case in the hand of the Hon'ble Apex, awarded 10% annual increase cumulatively for a period of two years.

(vii) The central warehousing corporation VS Thakur Dwara Kalan UL Maruf Baraglan

This case was disposed in the year 2023. In this case, the Hon’ble High Court considered the all the above mentioned judicial pronouncements and taken the consistent view of applying the annual increasing the rate on the market value with cumulative effect, and held that the gap was huge in the case was on hand of the Hon’ble court (11 years), hence it concludes that if shorter period of 3-5 years, it could have been 10% or 12%, and clarified that in no case 15% would be justified for a period of 11 years and considering the peculiar facts of the case was in hand, and 11 years gap between the date of notification and exemplars sale , it was held that 8% would be just and proper.

44. From the perusal of the judgment rendered by our Hon’ble Apex court, it could be seen that as argued by the learned counsel for the claimant the Hon’ble Apex court recognized to apply the escalation charges with cumulative effect to determine the compensation on the basis of an annual increase. There is a consistent view in applying the annual increment with cumulative effects and specifically ruling out the method of applying a flat rate. The percentage of the annual increment differed subject to the peculiar facts and circumstances of the case. In this case also, we are taking the guideline value prescribed on 01.08.2007 and Section 4(1) notification was issued on 27.10.2011. The data sale also executed only for the value fixed in the year 2007. The guideline value was not in the year of passing of the notification or the previous year. Hence, it is just and necessary to apply the rule of annual increment with cumulative effects. The method

of computation is also explained by the Hon'ble Apex Court in the ONGC case cited supra. The relevant paragraph is as follows:

> 5. The increase in market value is calculated with reference to the market value during the immediate preceding year. When market value is sought to be ascertained with reference to a transaction which took place some years before the acquisition, the method adopted is to calculate the year to year increase. As the percentage of increase is always with reference to the previous year's market value, the appropriate method is to calculate the increase cumulatively and not applying a flat rate. The difference between the two methods is shown by the following illustration (with reference to a 10% increase over a basic price of Rs.10/- per sq.m):
>
> Year By flat rate increase method By cumulative increase method 1987 10.00 10.00 (Base Year) 1988 10 + 1= 11.00 10.00 + 1.00 = 11.00 1989 11 + 1= 12.00 11.00 + 1.10= 12.10 1990 12 + 1= 13.00 12.10 + 1.21= 13.31 1991 13 + 1= 14.00 13.31 + 1.33 = 14.64 1992 14 + 1= 15.00 14.64 + 1.46 = 16.10
>
> 16. We may also point out that application of a flat rate will lead to anomalous results. This may be demonstrated with further reference to the above illustration. In regard to the sale transaction in 1987, where the price was Rs.10 per sq.m, if the annual increase to be applied is a flat rate of 10%, the increase will be Rs.1 per annum during each of the five years 1988, 1989, 1990, 1991 and 1992. If the price increase is to be determined with reference to sale transaction of the year 1989 when the price was Rs.12 per sq.m, the flat rate increase will be Rs.1.20 per annum, for the years 1990, 1991 and 1992. If the price increase is determined with reference to a sale transaction of the year 1990 when the price was Rs.13 per sq.m, then the flat rate increase will be Rs.1.30 per annum for the years 1991 and 1992. It will thus be seen that even if the percentage of increase is constant, the application of a flat rate leads to different amounts being added depending upon the market value in the base year. On the other hand, the cumulative rate method will lead to consistency and more realistic results. Whether the base price is Rs.10/- or Rs.12/10 or Rs.13/31, the increase will lead to the same result. The logical, practical and appropriate method is therefore to apply the increase cumulatively and not at a flat rate.

45. It is also held in the same judgment at paragraph No. 17 of the judgment that the

year of the transaction to be excluded, i.e., the base year (2007). In this case, there is a 4 year gap between the transaction and the notification. The acquired property is situated in the capital of state of Tamil Nadu, that to, in the heart of the city which abutting the mount road and surrounded by the commercial locality, where it has potential value by its location.

46. In view of the above judicial precedent, this court inclines to add an escalation charge of 20% on the cumulative method, and the Hon'ble Apex Court held that the base year is to be excluded for the calculation. Such as the year of the sale deed is excluded. Accordingly, the escalation charges are calculated as below.

(i) 8692X20% =1738.4 (8692+1738.4=10430.4) (2008)
(ii) 10430.4 X 20%=2086.8 (10430.4+2086.8=12516.48)(2009)
(iii) 12516.48 X20%=2503.2 (12516.48+2503.2=15020) 2010
(iv) 15020 X20%=3004 (15020+3004=18024) 2011 (round of Rs.18,100)

47. The said amount is rounded off to Rs.18,100/-. Therefore, this court fixed the cumulative rate of escalation at 20% over the guideline value of Rs.8692/- per sq. ft. based on Ex.C-27 from 2008 and came to the conclusion that the market value in the year 2011 was Rs.18,100/- per sq. ft. Accordingly, in view of section 23 (first clause), the market

value of the land at the date of the publication of the [notification under section 4, sub-section (1)] is fixed at Rs.18,100/- per sq. ft.

48. Coming to the value of the property, the land acquiring officer fixed the value of the building at Rs.40,11,519/-. On the other hand, the claimants stated in the claim application that the building which constructed in the acquired area is pucca structure and the amount is offered extremely low and first respondent has not considered the electrical wiring and fitting provided in the building and if the value of the buildup area demolished even if it is reckoned at approximately Rs.30,000/- per sq.ft, the compensation fixed after making adjustment for reduction in area works out to only Rs.35,000/- and consequently Rs.117/- per sq.ft only. Hence prays to add the higher value. To strengthen his argument he is relied upon the Ex.C-26 insurance copy wherein he insured the property for sum of Rs.2,00,00,000/-. Admittedly the property was insured for Rs.2,00,00,000/- prior to the 4(1) notification. The respondent has marked the valuation report as Ex.R-6. It has been valued for the electrical wire installed in the acquired property. The claimant has relied upon Ex.C-26 heavily to enhance the compensation for the property also.

49. Ex.C-26 is only a insurance copy. The petitioner has not taken commission to ascertain the physical features and its value. On the other hand the respondent has visited the property and assess the value by recognized Engineer and the same was approved by the Public Works Department therefore, the claimant is not entitled for the enhanced compensation for the property value.

50. In view of the discuss made in above this court has come to the conclusion that the land acquiring officer has not fixed the market value in terms of section 23 of the Land Acquisition Act and the claimant has established that he is entitled for the enhanced compensation through sufficient evidence and reasonable market value will be Rs.18,100/- per sq.ft therefore claimant is entitled to enhanced the compensation on the market value of the land fixed at Rs.18,100/- per sq.ft accordingly point no.1 to 3 is answered.

ANSWER TO THE POINT NO.4

51. In view of discussion made in point no.2 and 3 he is entitled to get enhancement of the compensation to the tune of Rs.18,100/- per sq.ft. That apart as per the provisions of Land Acquisition Act, 1894, As per Section 23 (1-A), the court shall, in every case,

award an amount in addition to the market value of the land at the rate of twelve percent per annum. Hence the claimant is entitled to the additional market value to the market value of the land at the rate of 12% per annum from the date of the publication of the notification under section 4, sub-section (1), to the date of the award of the Collector or the date of taking possession of the land, whichever is earlier.

52. As per section 23(2), in addition to the market value, the claimant is entitled to get solatium at the rate of 30% on the enhanced market value of the land with the interest as provided in the Land Acquisition Act. Accordingly point no.4 is answered that the claim is entitled compensation along with all statutory benefits contemplated under the Land Acquisition Act, 1894.

In the result,

the reference made by the Special Tahsildar (Land Acquisition) and the claim statement filed by the claimants are disposed with following terms:-

i. The claimant is entitled for the enhanced compensation for the acquired land which is comprised in Town Survey No. 3194/2 measuring an extent of 15135 sq.ft at the rate of Rs.18,100/- per sq.ft., and 30% solatium on the compensation amount.

ii. The claimant is entitled for 12% additional value from the date of the publication of the notification under section 4, sub-section (1), to the date of the award of the

Collector or the date of taking possession of the land, whichever is earlier.

iii. The claimant is entitled to 9% interest per annum for the first year from the date of taking possession and 15% interest per annum for the subsequent years till the date of realization of compensation amount.

iv. The respondent is hereby directed to deposit the enhanced compensation within a period of 3 months from the date of this order.

v. It is also ordered that any sum paid earlier towards compensation is ordered to be deducted from the total compensation arrived accordingly.

vi. Considering the factual aspects, the litigants shall bear their own costs as such no costs.

vii.The learned Govt. Pleader (LA) is entitled for maximum fees as per the Legal practitioners' Fee Rules, prescribed for Land Acquisition cases.

Dictated to the steno-typist, transcribed and computerized by her, corrected and pronounced by me in open court, this the 21st day of April 2025.

A SARIDHA
Digitally signed by A SARIDHA

VI Assistant Judge,
City Civil Court, Chennai.

Claimants' Witness:

1. Ramanuja Chari - CW1;

Claimants Exhibits:

1.		Authorization Letter	Ex.C1

2.	28.03.1956	Copy of certificate of incorporation of the petitioner company	Ex.C2
3.	19.02.1997	Copy of order passed by the Hon'ble Madras High Court in the Land Acquisition Officer Vs Kuppuswami Naidu and 5 Ors	Ex.C3
4.	12.04.1949	Copy of the deed of sale registered as document No.829/1949 in the office of the District Registrar Chennai.	Ex.C4
5.	2007	Copy of Guideline Value	Ex.C5
6.	28.10.2011	Copy of notification under section 4(1) of the Land Acquisition Act, 1894	Ex.C6
7.	28.11.2011	Copy of Declaration under section 5A of the Act	Ex.C7
8.	30.01.2012	Copy of form 7 issued by the 1st respondent	Ex.C8
9.	05.03.2012	Copy of letter from the petitioner to the first respondent	Ex.C9
10.	10.04.2012	Copy of letter bearing Reference no.61/Land/CMRL/2011	Ex.C10
11.	28.02.2012	Copy of notice of award in form 9 received by the petitioner on 01.03.2012	Ex.C11
12.	18.04.2012	Copy of new computation as per award by cheque no.520651	Ex.C12
13.	18.04.2012	Copy of cheque no.228098	Ex.C13
14.	28.01.2013	Copy of letter from the petitioner to Chennai Metro Rail Ltd	Ex.C14
15.	13.03.2013	Copy of GO	Ex.C15
16.	10.04.2012	Copy of letter by the petitioner to Chennai Metro Rail Ltd	Ex.C16
17.	2012	Copy of revised guideline value	Ex.C17
18.	14.02.2012	Copy of letter from the petitioner to the first respondent	Ex.C18
19.	14.02.2012	Copy of application filed Mr.Ramanujachari director of the petitioner company under section 18 of the Land Acquisition Act	Ex.C19
20.	23.04.2012	Copy of news article published in times of india	Ex.C20

21.	08.06.2012	Copy of letter sent by 1st respondent to the Registrar, City Civil Court, Chennai	Ex.C21
22.	25.06.2012	Copy of the letter sent by the petitioner to the 1st respondent	Ex.C22
23.	11.09.2012	Copy of letter sent by the petitioner to the 1st respondent	Ex.C23
24.	26.04.2012	Copy of letter sent by the petitioner to the 1st respondent	Ex.C24
25.	21.11.2012	Copy of news articles published in Times of India	Ex.C25
26.		Copy of the Standard fire and special perils policy	Ex.C26
27.		Certified copy of the guideline value of the petitioned property certified by the Sub-Registrar, Triplicane.	Ex.C27

<u>List of witnesses on the side of Referring Authority:</u>

1. S.Parthasarathy - RW1
2. M.Venkatraman - RW2
3. T.Murugan - RW3

<u>List of exhibits on the side of referring authority :</u>

1.	13.03.2013	Award No.7/2011 dated 28.02.2012 and amendment	Ex.R-1
2.		Sale particulars received from the Sub Registrar Office	Ex.R-2
3.	31.01.2012	Proceedings of the principal secretary and commissioner of land administration, for fixation of land value ROC No.M2/1775/2012	Ex.R-3
4.	30.04.2011	Copy of the data land sale deed document nO.505/2011	Ex.R-4
5.		Copy of sub division sketch relating to the LAOP.	Ex.R-5
6.	19.10.2012	Valuation report received from the Executive Engineer, PWD, South Presidency Division, Chepauk, Chennai-5 report dated 28.12.2011.	Ex.R-6
7.		Schematic sketch of acquired land and data land.	Ex.R-7

8.	10.11.2017	Authorization Letter	Ex.R-8
9.		Sketch	Ex.R-9

A SARIDHA Digitally signed by A SARIDHA

VI Assistant Judge,
City Civil Court, Chennai.

Draft/Fair Order

L.A.O.P.No.55 of 2012

Date:2**1.04.2025**

VI Assistant Court

IN THE COURT OF VI ASSISTANT CITY CIVIL COURT/REFERENCE COURT UNDER LAND ACQUISITION AT CHENNAI
Present: Tmt.A.Saridha., M.L.,
Civil Judge (Senior Division),
Monday, the 21st day of April, 2025
L.A.O.P. No. 55 of 2012
CNR.NO.TNCH01-013073-2012

Associated publishers (Madras) Private Limited, Registered Office 'Mail Building' 856, Anna Salai, Chennai-600 002. … Claimant

..Vs..

1. Land Acquisition Officer, Special Tahsildar (LA) Unit-1, Chennai Metro Rail Limited, Gopalapuram, Chennai-600 086. ...1st respondent/referring officer

2. Chennai Metro Rail Limited, Harini Towers, No.7, Conran Smith Road, Gopalapuram, Chennai-600 086. ...2nd Respondent/requesting body

This is a reference made by the Land Acquisition Officer under Sec. 20 and 21 of the Highways Act 2001 (Tamil Nadu Act 34/2002)

This petition coming on 13.02.2025 for final hearing before this Court in the presence of M/s.S.Ramasubramaniam and Associates, counsel for the Claimant and Mr. S.Shajahan, City Government Pleader, counsel for 1st respondent and M/s.C.Shankar, counsel for the 2nd respondent and upon hearing the arguments on claimant side and written arguments filed by referring officer side, upon perusing the documents on record, and having stood over for consideration till this day, this Court doth order and decreetal as follows.

1. That the claimant is entitled for the enhanced compensation for the acquired land which is comprised in Town Survey No. 3194/2 measuring an extent of 15135 sq.ft at the rate of Rs.18,100/- per sq.ft., and 30% solatium on the compensation amount.

ii. That the claimant is entitled for 12% additional value from the date of the publication of the notification under section 4, sub-section (1), to the date of the award of the Collector or the date of taking possession of the land, whichever is earlier.

iii. That the claimant is entitled to 9% interest per annum for the first year from the date of taking possession and 15% interest per annum for the subsequent years till the date of realization of compensation amount.

iv. That the respondent is hereby directed to deposit the enhanced compensation within a period of 3 months from the date of this order.

v. It is also ordered that any sum paid earlier towards compensation is ordered to be deducted from the total compensation arrived accordingly.

vi. Considering the factual aspects, the litigants shall bear their own costs as such no costs.

vii. That the learned Govt. Pleader (LA) is entitled for maximum fees as per the Legal practitioners' Fee Rules, prescribed for Land Acquisition cases.

SCHEDULE

T.S.No and Block No.	Classification	Extent in (Sq.mtr)
T.S.No.3194/2 Block No.63	Quit rent	15135 sq.ft

Given under my hand and seal of this court on this the 21st day of April 2025.

VI Assistant Judge,
VI Assistant Court,

Decreetal Order

L.A.O.P.No.55 of 2012

Date:2**1.04.2025**

VI Assistant Court